

Attachment K



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Vincent P. Pace
Associate General Counsel

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February 5, 2019

Jeffrey R. Gaudiosi, Esq.
Executive Secretary
Public Utilities Regulatory Authority
10 Franklin Square
New Britain, CT 06051

Re: Docket No. 17-10-46 – Application of The Connecticut Light and Power Company d/b/a Eversource Energy to Amend its Rate Schedules – (Amended Compliance)

Amended Compliance Filing & Resolution of NECTA's Objections Raised in Motion Nos. 46 & 47

Dear Mr. Gaudiosi:

On December 27, 2018, as supplemented on December 28, 2018, The Connecticut Light and Power Company d/b/a Eversource Energy ("Eversource") submitted a compliance filing in this docket that reflected its updated pole attachment rates effective January 1, 2019.

On December 31, 2018, NECTA filed Motion No. 46 that, among other things, raised questions about Eversource's pole attachment compliance filing. On January 9, 2019, the Public Utilities Regulatory Authority ("PURA") responded to NECTA's Motion No. 46 by stating in relevant part that:

If NECTA seeks to raise specific and detailed legal claims that the [new pole attachment] tariff should be suspended because it violates a PURA Decision or the pole attachment settlement approved in Docket No. 17-10-46, NECTA may file, on or before January 23, 2019, a motion for reconsideration of the Authority's December 28, 2018 ruling approving the tariff.¹

Thereafter, NECTA and Eversource filed a joint motion (designated as Motion No. 47) to extend NECTA's above-quoted January 23, 2019 deadline for filing objections to February 6, 2019 so that both parties could have additional time. PURA granted that request for an extension.²

Eversource is pleased to report that – following productive discussions between the representatives of Eversource and NECTA – Eversource has enclosed a revised pole attachment compliance filing that contains updated pole attachment rates that address NECTA's concerns. Counsel for NECTA, Attorney David Bogan, has authorized Eversource to inform PURA that NECTA has no objections

¹ Docket 17-10-46, Jan. 9, 2019 PURA Ruling on Motion No. 46.

² Docket 17-10-46, Jan. 23, 2019 PURA Ruling on Motion No. 47.

to the rates reflected in the revised pole attachment compliance filing. Accordingly, this compliance filing resolves the subject matter in NECTA's Motions 46 and 47.

The enclosed filing reflects the following two adjustments:

- First, consistent with Section 2(b) of the February 15, 2018 pole attachment settlement agreement that was approved in Eversource's most recent electric rate case in Docket No. 17-10-46 (the "Pole Attachment Settlement"), the rate of return in the attached revised pole attachment rates has been updated to reflect the PURA-approved overall rate of return from PURA's April 18, 2018 final rate case decision in this Docket.³
- Second, also consistent with Section 2(b) of the Pole Attachment Settlement, the attached revised pole attachment rates for cable television companies reduce Eversource's total gross plant and gross pole investment by the amount of any unamortized Accumulated Deferred Income Tax ("ADIT") expense resulting from the Federal Tax and Job Cuts Act of 2017, in addition to ADIT and depreciation reserves. For consistency purposes, the same reduction was made to the attached revised pole attachment rates affecting other telecommunications attachers.

Based upon the reasons provided above, Eversource respectfully requests that PURA issue a letter order approving the updated pole attachment rates enclosed in this amended compliance filing without change or modification.

Sincerely,

Vincent P. Pace

Vincent P. Pace

Associate General Counsel

On behalf of CL&P d/b/a Eversource Energy

cc: Service List

³ Section 2(b) of the Pole Attachment Settlement states in relevant part that, "Such annual updates [to pole attachment rates] shall reflect changes in the Company's FERC Form 1 accounts, including those related to taxes and the overall rate of return authorized by the Authority in this Docket".

FERC FORM No. 1: The Connecticut Light and Power Company - Q4 2017

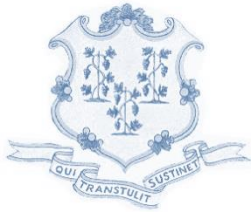
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| <u>Item</u> | <u>Amount</u> | <u>Reference</u> |
|---|-------------------|--------------------------------------|
| Accounts 408.1 + 409.1 + 410.1 - 411.1 + 411.4 | \$ 528,657,551 | Pg. 114 - Col. C, Rows 14 through 19 |
| Gross Plant Investment (Total Plant) | \$ 10,085,444,725 | Pg. 200 - Col. B, Row 8 |
| Gross Plant Investment (Total Electric Plant) | \$ 10,085,444,725 | Pg. 200 - Col. C, Row 8 |
| Gross Investment Account 364 | \$ 554,613,091 | Pg. 207 - Col. G, Row 64 |
| Gross Investment Account 365 | \$ 1,531,109,978 | Pg. 207 - Col. G, Row 65 |
| Gross Investment Account 369 | \$ 362,435,465 | Pg. 207 - Col. G, Row 69 |
| Gross Plant Investment Distribution | \$ 5,398,147,968 | Pg. 207 - Col. G, Row 75 |
| Accumulated Depreciation Distribution | \$ 1,150,191,012 | Pg. 219 - Col. B, Row 26 |
| Accumulated Depreciation (Account 108 - Electric) | \$ 2,131,347,277 | Pg. 219 - Col. C, Row 29 |
| Account 190 (Electric) - See Note A | \$ 773,354,551 | Pg. 234 - Col. C, Row 8 |
| Account 281 (Electric) | \$ - | Pg. 273 - Col. K, Row 2 |
| Account 282 (Electric) - See Note B | \$ 1,809,312,818 | Pg. 275 - Col. K, Row 2 |
| Account 283 (Electric) - See Note C | \$ 672,958,731 | Pg. 277 - Col. K, Row 9 |
| Account 593 | \$ 101,873,572 | Pg. 322 - Col. B, Row 149 |
| Total Administrative & General Expenses | \$ 183,261,645 | Pg. 323 - Col. B, Row 197 |
| Depreciation Rate for Gross Pole Investment | 2.77 | Pg. 337 - Col. E, Row 29 |

Note A: Includes adjustment related to TCJA of \$124,234,781

Note B: Includes adjustment related to TCJA of \$613,030,129

Note C: Includes adjustment related to TCJA of \$162,132,720



STATE OF CONNECTICUT
PUBLIC UTILITIES REGULATORY AUTHORITY

February 14, 2019
In reply, please refer to:
Docket No. 17-10-46 UR&R: RTS

Vincent Pace, Esq.
Associate General Counsel
On behalf of CL&P d/b/a Eversource Energy
107 Selden Street
Berlin, CT 06037

Re: Docket No. 17-10-46 - Application of The Connecticut Light and Power Company d/b/a Eversource Energy to Amend its Rate Schedules – (Amended Compliance)

Dear Mr. Pace:

The Public Utilities Regulatory Authority (Authority) is in receipt of The Connecticut Light and Power Company's d/b/a Eversource Energy (CL&P or Company) filing submitted on February 5, 2019 that consisted of amended proposed pole attachment rates for Cable Television (CATV) and Telecommunications (Telecom) service providers and the associated cost support. The proposed rates reflect an update to the overall rate of return consistent with the Authority's April 18, 2018 final decision in this proceeding. Additionally reductions were made to total gross plant and gross pole investments related to unamortized Accumulated Deferred Income tax (ADIT) expense from the Federal Job Cuts Act of 2017, in addition to ADIT and depreciation reserves. The Company stated that the proposed pole attachment rates resolve the objections raised in Motion No. 46 filed by the New England Cable Television Association (NECTA) on December 31, 2018 and Motion No. 47, the Joint Motion filed by the Company and NECTA on January 23, 2019.

The Authority reviewed the Company's amended compliance filing and approves the updated pole attachment rates without change and modification. The Company is directed to file revised tariffs reflecting the amended pole attachment rates no later than February 28, 2019.

Going forward, the Authority encourages the Company to provide longer lead time in future tariff filings made to PURA related to revisions in pole attachment rates. The Authority also expects the Company's tariff filing to include the associated cost support for pole attachment rates. Similarly, the Authority advocates that the Company notify CATV and Telecom providers as soon as possible of any future proposed pole attachment

price changes. Earlier notification is beneficial, encourages dialogue between the Company and pole attachers and can lead to reducing disputes over pole attachment rates as was envisioned by the Authority in approving the Pole Attachment Settlement Agreement in the final decision in this proceeding.

Sincerely,

PUBLIC UTILITIES REGULATORY AUTHORITY

A handwritten signature in black ink, appearing to read "Jeffrey R. Gaudiosi", written over a horizontal line.

Jeffrey R. Gaudiosi, Esq.
Executive Secretary

cc: Service List